

What are the banking and situational based questions asked in IBPS PO interview?

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SET-2

01.

What do you mean by a guarantee?

Guarantee is an undertaking executed by one person called as guarantor in favour of another person called as beneficiary expressing his intention to make payment in the event of failure of the principal debtor on payment of a debt or failure to perform any contract within the stipulated time or according to the terms of the contract.

02.

What are the different types of guarantees?

The different types of guarantees are financial guarantee, performance guarantee and deferred payment guarantee

03.

What do you mean by letter of credit?

Letter of credit is an undertaking executed by one banker on behalf of its customer to honour bills and documents drawn by another person as per the terms and conditions as mentioned in the letter of credit

04.

What do you know by packing credit advance?

It is the preshipment advance granted by one bank to the exporter for the purpose of procuring raw materials; payment of various duties like customs duty, excise duty; packing charges; shipment charges etc.,

05.

What do you mean by special crossing?

In case the name of any bank is mentioned within the two parallel lines, it is known as special crossing and in this case, the payment should be made to the account of the payee or holder with the bank mentioned in the crossing only and not to any other bank.

06.

What do you know by IFSC code ?

IFSC means Indian Financial System Code and this is one alphanumeric code consisting of eleven digits of which the four alphabetic digits represent the name of the bank mentioned in abridged form and the next zero is known as control number and the last six numeric digits represent the branch code of the bank.

07.

Which is called as mother of deposits?

Savings deposit is known as mother of deposits. Normally the first time customers will be advised to open savings deposits with the bank branch before availing any other facility with the bank

08.

Who is a called as natural guardian?

Both mother and father are known as natural guardian for the purpose of opening accounts in the name of minors represented by the guardian.

09.

Whether grandfathers and grandmothers can be natural guardians?

Grand fathers, grandmothers grand grandfathers or grand grandmothers cannot represent as natural guardians on behalf of the minors

10.

Which type of credit facility is available to a farmer for raising crops?

For raising crops, the farmers are provided with crop loans, Kisan Credit Cards etc.,

11.

What do you mean by NULM?

National Urban Livelihoods Mission (NULM) was launched by the Ministry of Housing and Urban Poverty Alleviation (MHUPA), Government of India in 24th September, 2013 by replacing the existing Swarna Jayanti Shahari Rozgar Yojana (SJSRY). The NULM will focus on organizing urban poor in their strong grassroots level institutions, creating opportunities for skill development leading to market-based employment and helping them to set up self-employment venture by ensuring easy access to credit. The Mission is aimed at providing shelter equipped with essential services to the urban homeless in a phased manner. In addition, the Mission would also address livelihood concerns of the urban street vendors

12.

What do you mean by Gram Sadak Yojana?

The Pradhan Mantri Gram Sadak Yojana called as PMGSY was launched by the Government of India for the purpose of providing connectivity to unconnected habitations as part of a poverty reduction strategy. Government of India is endeavouring to set high and uniform technical and management standards and facilitating policy development and planning at state level in order to ensure sustainable management of the rural roads network.

13.

What are the salient features of MGNREGA?

MGNREGA is known as Mahatma Gandhi National Rural Employment Guarantee act and according to this employment is guaranteed at least one person per household in rural areas. It aims at enhancing the livelihood security of people living in rural areas by guaranteeing hundred days of wage employment during each financial year to a rural household whose adult members volunteers to undertake unskilled manual work

14.

Which authority is supervising the functions of insurance companies?

IRDA – Insurance Regulatory and Development Authority is the authority responsible for supervising the functions of insurance companies in our country

15.

What is meant by IPO?

IPO means initial public offer and this is the first time public offer of equity shares, preference shares or debentures to the public for subscription

16.

What is meant by ASBA?

ASBA means applications supported by blocked amount. Nowadays investors are permitted to remit the amount through ASBA demand drafts drawn in ASBA accounts for the purpose of subscribing shares or debentures through initial public offer and further public offer. When the demand draft is issued, instead of debiting the amount in the account, the amount is blocked till such time the shares or debentures are allotted. On allotment, the entire amount is debited; in the case of partial allotment, the amount is debited equivalent to the value of allotment and in the case of non allotment, the entire amount is allowed for further use. For the intervening period, the depositor earns interest as applicable to the category of deposits.

17.

What is meant by Performance guarantee issued by any commercial bank?

In the case of contracts in favour of governments, the contractors are in a position to provide a bank guarantee by a reputed commercial bank, thereby undertaking to guarantee the government department to compensate the loss on account of failure of performance of the contract by the contractor within the due date or failure to perform the contract as per the terms and conditions of the contract. This is known as performance guarantee.

18.

What do you mean by packing credit facility issued by any commercial bank?

Packing guarantee is known as preshipment advance provided by the commercial bank to the exporter for the purpose of procuring raw materials, packing materials or making payment towards customers duty, excise duty, transportation charges etc.,

19.

What do you mean by notice money?

Notice money is money borrowed for a period of two days and more and upto fourteen days in the call money market.

20.

Treasury bills are issued by which authority and what are the different kinds of treasury bills available in the country?

Treasury bills are issued by central government and state governments for the purpose of mobilizing funds from the public and others towards meeting the cost of various projects. There are three kinds of treasury bills as at present namely – 91 days, 182 days and 364 days. 91 days treasury bills are issued each Friday and the notified amount is Rupees one hundred crores. 182 day treasury bills are issued during alternative Wednesdays which is non reporting week and the notified amount is Rupees 100 crores and 364 days treasury bills are issued on alterntive Wednesdays which is a reporting week and the notified amount is Rupees 500 crores.